

IN THE UNITED STATES DISTRICT COURT FOR THE  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

UNITED STATES OF AMERICA, )  
Plaintiff, )  
v. )  
JONATHAN PAUL BARNES, ) CIVIL CASE NO. 4:13-cv-2668  
Defendant. )

## INTRODUCTION

This is a civil action brought by the United States to collect the outstanding unpaid civil penalties assessed against Jonathan Paul Barnes (“Barnes”) for his failure to report his interest in a foreign bank account, as required by 31 U.S.C. § 5314 and the implementing regulations promulgated thereunder.

## **AUTHORIZATION FOR SUIT**

1. This action is brought pursuant to 26 U.S.C. § 7401 at the direction of the Attorney General of the United States and at the request of, and with the authorization of, the Area Counsel of the Internal Revenue Service, a delegate of the Secretary of the Treasury of the United States.

## **JURISDICTION AND VENUE**

2. Jurisdiction over this action is conferred upon the district court by 28 U.S.C. § 1335.
3. Defendant Barnes is currently incarcerated in the Texarkana Federal Correctional Institution. He, however, resided within this district prior to, and at the time of, his incarceration.

**FOREIGN BANK ACCOUNTS**

4. Barnes held a UBS bank account, number XXX-XXXX13-01, which contained a maximum value of \$794,704.56 during 2006, \$2,360,180.77 in 2007, and \$2,522,599.86 in 2008.

5. Section 5314 of Title 31 of the U.S. Code, and the implementing regulations promulgated thereunder, requires a person to keep records and file reports when that person maintains a relation with a foreign financial agency. Such reports must be filed with the Internal Revenue Service on Treasury Form TD F 90-22.1, Report of Financial Bank and Financial Accounts (“FBAR”). Section 5321(a)(5) of Title 31 provides for the imposition of civil penalties for willful failure to comply with the reporting requirements of section 5314.

6. Barnes willfully failed to file an FBAR to report his interest in the UBS foreign bank account for years 2006 - 2008.

**CLAIM FOR RELIEF:**

**REDUCTION OF CIVIL PENALTIES  
AGAINST JONATHAN PAUL BARNES TO JUDGMENT**

7. On February 22, 2012, a delegate of the Secretary of the Treasury of the United States of America made an assessment, pursuant to 31 U.S.C. § 5321(a)(5), against Barnes for years 2006 (in the amount of \$81,210), 2007 (in the amount of \$1,180,090.39), and 2008 (in the amount of \$1,261,299.33). On December 23, 2011, Barnes executed a Form 13449 consenting to the assessment of these liabilities. With interest calculated through August 16, 2013, these liabilities total \$2,817,441.34.

8. On or about February 22, 2012, a delegate of the Secretary of the Treasury of the United States of America gave notice of the assessment to, and made demand for payment of the assessment upon Barnes.

9. Despite said notice and demand, Barnes has failed, neglected, or refused to pay the liabilities identified in paragraph 8, above.

WHEREFORE, the United States of America demands:

A. Judgment against defendant, Jonathan Paul Barnes, in the amount of \$2,817,441.34, plus such additional amounts, including interest, which accrue after August 16, 2013, as provided by law; and

B. That the United States be awarded its costs in this action, and also be awarded such other and further relief as the Court determines is just and proper.

Dated: September 11, 2013.

Respectfully submitted,

KENNETH MAGIDSON  
United States Attorney

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